



U.S. Department of Justice

United States Attorney  
Eastern District of California

501 I Street, Suite 10-100  
Sacramento, California 95814

916/554-2700  
Fax 916/554-2900

FOR IMMEDIATE RELEASE  
February 9, 2005

Contact: Patty Pontello, 916-554-2706  
[www.usdoj.gov/usao/cae/home](http://www.usdoj.gov/usao/cae/home)

**SACRAMENTO WOMAN SENTENCED TO EIGHTEEN MONTHS IN  
BANKRUPTCY FRAUD AND MONEY LAUNDERING SCHEME**

SACRAMENTO--United States Attorney McGregor W. Scott announced today that MASAKO LESH, 55, of Sacramento, California, was sentenced by U.S. District Court Judge William B. Shubb to eighteen months in prison. LESH was also ordered to pay a fine of \$5,000. On December 1, 2004, LESH pleaded guilty to one count each of bankruptcy fraud and money laundering.

This case was investigated by the Internal Revenue Service Criminal Investigation division, the Federal Bureau of Investigation, and the United States Bankruptcy Trustee.

According to Assistant U.S. Attorneys James P. Arguelles and Patrick K. Hanly, who prosecuted the case, during the period of approximately 1995 through September of 1997, defendant MASAKO LESH worked for Channel Tek International Corporation ("Channel Tek"), an electronic component sales company doing business in the State of Florida. After she left Channel Tek, LESH was involved in the start-up in 1998 of EliteCom, an electronic component supply business in Sacramento that acted as a broker for electronic components. On August 26, 1999 Channel Tek obtained a Florida state judgment in which LESH was ordered to pay Channel Tek damages in the amount of \$164,970.58. On November 8, 1999, Channel Tek obtained a "Notice of Entry of Judgment on Sister State Judgment" from the Sacramento Superior Court, in order to enforce its Florida State Court judgment against LESH in Sacramento.

As part of her plea agreement, LESH admitted that beginning on March 7, 2000, and continuing through November of 2004, she devised and participated in a scheme and artifice to defraud Channel Tek out of its judgment. On March 7, 2000, LESH filed a voluntary Chapter 7 petition for bankruptcy protection in the Bankruptcy Court for the Eastern District of California, in which she fraudulently failed to disclose her interest in EliteCom as an asset, even though it was a very profitable business. In addition, in response to a wage garnishment order obtained by Channel Tek, in May of 2001 LESH submitted an "Employer's Return" to the Levying Officer which fraudulently stated that she was no longer employed by EliteCom. LESH admitted, however, that notwithstanding what she represented on the "Employer's Return," from May of 2001 through 2004, she used assumed names to continue to work for, and earn significant compensation from, EliteCom.

LESH further admitted that in order to create the appearance that she was not working

and had no money, she routed significant sums of money which she earned at EliteCom back to herself by issuing EliteCom checks in the name of her son. These checks were subsequently deposited in bank accounts controlled by LESH, on which she and her son were signatories. LESH retained control over and spent most, if not all, of these funds. Finally, LESH admitted that she made multiple false and fraudulent representations and claims concerning her bankruptcy proceeding in a deposition which was conducted by the attorney for the bankruptcy trustee in October of 2001.

###